

DAVID Y. IGE
GOVERNOR



CATHERINE PAYNE
CHAIRPERSON

STATE OF HAWAII
STATE PUBLIC CHARTER SCHOOL COMMISSION
('AHA KULA HO'ĀMANA)

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RECOMMENDATION SUBMITTAL

DATE OF SUBMITTAL: July 27, 2016

DATE OF MEETING: July 28, 2016

TO: Catherine Payne, Chairperson

FROM: Yvonne Lau, Acting Executive Director

AGENDA ITEM: II. Update and Action on Amendment to the Educational Program, Exhibit A of the Charter Contract, of Ka'u Learning Academy

I. DESCRIPTION

Update to the State Public Charter School Commission on the actions and progress of Ka'u Learning Academy (KLA), in regards to facility needs to accommodate the school's expansion to grade seven, beginning in school year 2016-2017. Proposed action recommending the Commission revoke its conditional approval.

II. BACKGROUND

At the February 2016 Commission general business meeting, the Commission deferred action on the school's request to expand to the seventh grade. The submittal for this agenda item noted:

"(T)he school had not made significant progress toward accommodating the expansion to middle school. While the school has submitted information requested by the Commission regarding the seventh grade expansion, the information is relatively sparse and describes important tasks that have not yet been started. The school's proposed plan sets an estimated deadline for the completion of construction on June 30, 2016; should there be any delays in construction or obtaining permits and the school's anticipated deadlines are not met, the school's incoming students would be in a difficult position."

The concern, at that time, was that the Commission needed assurances that the school was taking action on facilitating the expansion to the seventh grade as the proposed timeline had forecast that the school would have completed its facility one month before the start of the next school year. As noted in the submittal excerpt above, any delays could have negative consequences.

At the Commission's March 10, 2016 general business meeting, the Commission adopted the following motion, which conditionally allowed KLA to expand to seventh grade in school year 2016-2017:

Moved that the Commission conditionally approve the proposed amendment to the Educational Program, Exhibit A of the Charter Contract, for Ka'u Learning Academy to allow the school's expansion to grade seven beginning in school year 2016-2017, contingent on the execution of the lease agreement for the portable, modular classroom.

The primary issue the school needed to address in its plan to expand to seventh grade was having adequate facilities to accommodate the additional students. Initially, KLA proposed the construction of a gazebo-like structure to accommodate the additional grade. Prior to the March Commission meeting, KLA revised its facilities plan; rather than construct a structure, the school would lease a portable, modular classroom. The Commission accepted the school's revised plan contingent upon the execution of the lease agreement.

Commission staff reached out to KLA administrators on April 7, 2016 to inform them that an update on the KLA seventh grade expansion was required to be provided to the Commission at its next general meeting. On April 9, KLA responded to Commission staff with a letter from the School Director on behalf of the school's Governing Board. The letter requested that the school be allowed to construct a prefabricated building rather than lease a portable classroom to accommodate its expansion. The school cited the cost to construct a prefabricated building would be less than the cost of leasing a portable classroom since construction would be a one-time cost of approximately \$35,000 compared to the multi-year annual lease expense of approximately \$41,000. The letter further added that the school proposed the leasing of the portable due to pressure from Commission staff. KLA requested to return to their original proposal or build the facility using a pre-fabricated kit from HPM.

At the Commission's April 14 general business meeting, the Commission discussed the expansion plans with school administrators, who reiterated the preference for building a prefabricated building instead of leasing a portable. Though there was discussion of amending the motion to allow for the prefabricated building, the Commission did not amend its conditional approval motion. The school would be allowed to move forward with either option as long as there would be a facility to accommodate the school's expansion and increased student population. **Figure 1** below provides a timeline of the events pertaining to the school's 7th grade expansion request.

Date	Actions/Items Pertaining to Seventh Grade Expansion	Correspondence Available in:
September 29, 2015	Governing board provides letter requesting to add 7 th grade for school year 2016-2017	Exhibit 1
November 23, 2015	Email sent requesting the school to complete the Contract Amendment Form and include a plan/proposal to facilitate the 7 th grade expansion	Exhibit 2
January 24, 2016	Completed Contract Amendment Form submitted via email	Exhibit 3
January 28, 2016 Performance & Accountability Committee Meeting	School request for 7 th grade expansion presented to Committee - no action or recommendation provided at that time due to the lack of the plan/proposal for the 7 th grade expansion. The school was requested to provide this information by February 1, 2016. Minutes to the meeting available here .	Submittal available here
February 2, 2016	School submits Seventh Grade Plan via email	Exhibit 4
February 5, 2016	School submits timeline for campus expansion based on construction of gazebo-type structure. Timeline showed structure would be completed by June 30, 2016.	Exhibit 5
February 11, 2016 Commission General Meeting	School request for 7 th grade expansion brought to the Commission- Motion was to defer approval to the March Commission meeting; minutes to the meeting available here .	Submittal available here
March 10, 2016 Commission General Meeting	School request for 7 th grade expansion presented to Commission- Commission provided conditional approval. Minutes to the meeting available here .	Submittal available here
April 14, 2016 Commission General Meeting	Update provided to Commission - school's request to build a pre-fabricated structure presented; no action taken- minutes to the meeting available here	Submittal available here ; request from the school dated April 7, 2016 provided in Exhibit 6
July 12, 2016	Commission staff contacts KLA administrators to arrange a site visit and follow-up on what actions were taken regarding the construction of a new facility. KLA	

	administrators say that construction has not begun and that they are having discussions with Hawaii County regarding available options.	
July 14, 2016 Commission General Meeting	Although no KLA facility update provided during the meeting, staff was informed by KLA administrators the school had received approval to increase the building occupancy; as a result, school administrators said a new facility would not be needed.	
July 21, 2016	<ul style="list-style-type: none"> Staff contacted inspectors with the Hawaii County Building Department regarding the increase in the building occupancy; staff found that approval had not yet been provided. Inspectors also raised an issue with the school's temporary occupancy permit which will expire on July 31, 2016. Staff notifies KLA administrators that a Commission general business meeting will be held on July 28 to discuss the issues regarding the 7th grade expansion. 	
July 26, 2016	Staff contacts Hawaii County building inspector; the inspector says that he intends to extend the temporary occupancy permit, provided he receives requested information from the school on July 27.	
July 28, 2016	Update to Commission on school's expansion to 7 th grade	--
August 1, 2016	KLA Start of the 2016-2017 school year- Students' 1 st day of school	--

III. UPDATE

Since the April general business meeting, Commission staff and KLA administrators had several conversations regarding the school's preparation for the expansion to 7th grade for the upcoming school year. Based on the discussion at the Commission's general meeting on April 14, the Commission's understanding was that the school could proceed with either option, constructing the prefabricated building or leasing the portable classroom; it was also understood that KLA's preferred option was to build the prefabricated structure. Based on this understanding, there was little to no communication between the school and Commission staff on this until mid-July.

In a follow-up conversation with staff on July 12th, KLA administrators stated they had not started work on the prefabricated structure and that they were looking into other options with Hawaii

County and would inform Commission staff of the options. At the Commission's general business meeting on July 14th, KLA administrators informed staff that the occupancy limit of the clubhouse, the main school building, was raised. School administrators said that this would allow the school to accommodate the additional students for the coming school year without building the prefabricated structure or leasing the portable classroom.

The following week on July 21, Commission staff contacted inspectors with the Hawaii County Building Division's Department of Public Works (DPW) and learned that DPW had received a request to increase the building occupancy, but the approval had yet to be provided. Inspectors also informed staff the school's temporary occupancy permit would expire on July 31, 2016. The county inspectors shared that this was the second time the temporary occupancy permit had been extended as the school needed to meet American with Disabilities Act (ADA) bathroom requirements. At that time, the county inspector was unsure whether the temporary permit would be extended. If the permit was not extended, the school would not be able to occupy the building.

The same day, Commission staff contacted KLA administrators to notify them that the Commission would need to be alerted of this situation and of the school's inaction regarding the facility for the seventh grade expansion. School administrators said that the issue with the temporary permit would be taken care of and that the school had limited its enrollment for school year 2016-2017 to comply with the occupancy limits. Commission staff had been unaware of a plan to limit enrollment prior to this discussion on July 21. A subsequent conversation with KLA administrators on July 26 found that KLA administrators said that it was their understanding, following the April 14th Commission meeting, that they could move forward with the seventh grade expansion as long as county requirements were met. It was because of this understanding that the school did not construct a facility over the summer.

IV. DECISION-MAKING STATEMENT

The current state of this situation raises two issues for the Commission. First, throughout this process, there has been no mention of limiting enrollment to meet occupancy limitations for the existing structure. This proposed option has never been discussed or looked into by Commission staff; as such, there is little to no information that can be provided to Commissioners on this. Based on information from Hawaii County, the occupancy limit for the clubhouse building, the primary school facility, is 98. Commission staff contacted the Hawaii County Building Division inspectors to follow up on the increase in the building occupancy. After conversations with three different county building inspectors, Commission staff learned that KLA submitted a request to increase the building occupancy to 104 students, but the request is currently under review.

To date, Commission staff has not received any communication or indications from the school regarding limiting its student enrollment. The school submitted an enrollment projection of 129 students in May 2016, for SY2016-2017. In fact, KLA's first per-pupil allocation for the new school year reflects its May enrollment projection as the school did not contact the Commission to make

any corrections or adjustments. **Figure 2** reflects the school's May 2016 enrollment projection by grade.

Figure 2 Ka'u Learning Academy Projected Enrollment Enrollment Counts for SY2016-2017

Grade	Projected Number of Students
3 rd	25
4 th	25
5 th	27
6 th	25
7 th	27
TOTAL	129

Figure 3 Ka'u Learning Academy Enrollment as of July 26th

Grade	Number of Students
3 rd	16
4 th	23
5 th	24
6 th	21
7 th	21
TOTAL	105

To accommodate the facility limitations, students are scheduled to report to campus on different days so that occupancy restrictions are not exceeded. KLA administrators say that not all students are on the school's campus every day as some students participate in a blended learning program. There are currently 105 students enrolled at the school; **Figure 3** above shows the school's actual enrollment, as of July 26. KLA shall provide a weekly schedule showing building occupancy is not exceeded.

The school's new proposal then raises the second issue for the Commission; the Commission's conditional approval to expand to seventh grade was contingent on the execution of the lease of the portable classroom. During discussions with KLA administrators at the April 14 general business meeting, KLA stated its preferred option was to build a permanent, prefabricated structure, as this was a more cost-effective option for the school. The Commission was amenable to this option as KLA students having an adequate learning environment was the over-arching concern. It was the Commission's understanding that the school would move forward with building the pre-fabricated structure and that the portable classroom would be a back-up option for the school, in case the pre-fabricated structure would not be ready.

It was disconcerting for Commission staff to learn, approximately two weeks before the first day of school, KLA had not started building the prefabricated structure or made a decision to lease the portable classroom.

This has been an exhaustive and difficult process for all involved as Commission staff has made significant efforts to work with and accommodate the school and its plans to expand its program to the seventh grade. Based on the conditional approval and subsequent discussion at the April 14, 2016 general meeting, Commission staff believed that this matter was resolved and the school would move forward to provide an adequate structure for its expanded student population. This is the primary issue that staff and school administrators were working on throughout the contract amendment process. However, with the new school year about to start in a few days, staff discovered that a structure has not been completed, and the school intends to move forward and serve grades three through seven. As such, this matter is being brought before the Commissioners for their deliberation and possible action.

V. RECOMMENDATION

In addressing this situation, the issue for consideration by the Commission is whether to rescind the conditional approval of KLA's contract amendment to expand its program to include seventh grade.

Staff's recommendation to the Commission is to rescind the conditional approval. While this action will negatively affect all involved – the school, the Commission, but most importantly, the families of students planning to attend seventh grade at KLA, the school is not ready to service these students despite having three to four months to prepare.

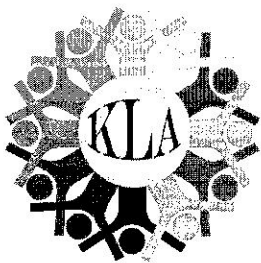
Recommended Motion:

“Moved that the Commission rescind the motion adopted at the March 10, 2016 general business meeting granting Ka’u Learning Academy conditional approval to amend its Educational Program, Exhibit A of the Charter Contract, to allow the school’s expansion to grade seven beginning in school year 2016-2017. “

Given that school year 2016-2017 begins on Monday, August 1, 2016, the affected families must be notified of this decision by 12 noon on Friday, July 29, 2016. The Commission further requests that the school and Commission staff work in collaboration to provide assistance to the affected families and facilitate students’ enrollment in another Hawaii public school, as needed.”

Exhibit 1

Letter from Ka'u Learning Academy's Governing Board
Requesting Seventh Grade Expansion



KA'U LEARNING ACADEMY

September 29, 2015

Dear Mr. Vasconcellos,

On behalf of Ka'u Learning Academy and our Board of Directors, I would like to inform the Hawaii State Public Charter School Commission that Ka'u Learning Academy is planning on adding seventh grade to our school for the 2016 - 2017 school year.

We are fully committed to adding seventh grade. I will keep you informed of progress as we address the challenges and logistics involved.

Very sincerely,

Mark Fournier
President

Ka'u Learning Academy Board of Directors

mark@fournierinc.com

602.327.2798

Exhibit 2

Email from Commission Staff Dated November 23, 2015

From: Danny Vasconcellos
To: ["Ka"u Learning Academy, Kathryn Tydlacka-McCown"; Joe](#)
Cc: [Mark Fournier](#); [Beth Bulgeron](#); [Leila Shar](#); [Sylvia Silva](#)
Subject: KLA Expansion to 7th grade
Date: Monday, November 23, 2015 1:42:00 PM
Attachments: [Contract Amendment Form.pdf](#)

Hi Kathryn and Joe,

Though we're already "deep" into this year, we also have to start looking forward to next year, specifically your proposed expansion to 7th grade. I already have the letter from Mark in which your governing board has confirmed the expansion. I'm planning to have this on the Commission agenda for the January meeting, as we want to make sure the Commission has approved this before the school starts the 2016-2017 admissions cycle. So we're going to need information from you on the school's proposed plans to add the seventh grade; I'll be the contact person on this, but I've included Beth and Leila on this email as there will be academic and financial questions that your proposal will need to address. They may contact you for follow-up. Sylvia's included as she is now a part of the Org team here at the Commission and will serve as a backup contact.

To start, please complete the form that I've attached; adding a grade is considered a Contract amendment (specifically, an amendment to Exhibit A of the Contract), and this form "begins" the amendment process. In Section H of the form, please answer this question by letting us know what grades will make up your elementary and middle school divisions; for example, will 6th and 7th grade be your middle school or will middle school be just the 7th grade? This distinction is required by the DOE to set up their student information systems.

In Section D of this form, please include your plan/proposal; the form is fillable, but it's easier to provide this information separately as the formatting in the section is limiting. I'll include it as attachments with this form. Here's some of the information we will need for each area; the others may follow up with additional questions.

- **OVERALL**

- What will be the projected school-wide enrollment of SY2016-2017 (we have your projections from the enrollment count info; confirm if they will stay the same)?
- Where will the 7th grade classroom be?

- **ACADEMIC**

- What kind of and how many teachers will you be hiring for the seventh grade?
 - Please remember teachers will need to have a teaching license or an emergency hire permit. Also, please be aware, for middle school, teachers are licensed according to subject area, for example, your math teacher should have a 6-8 math teaching license. Contact me should you have teacher licensure questions.
- What are your curriculum plans for 7th grade?

- **FINANCIAL**

- Does your budget account for increased staff costs that come with adding a middle school?

- **ORGANIZATIONAL**

- Does your current facility documentation allow for additional students; what is the maximum occupancy for the current facility?

This is the basic information that you should provide in your plan/proposal. As I mentioned, I'll serve as the point of contact but the other may be contacting you for additional information. Contact me should you have any questions.

Mahalo, Danny

Danny Vasconcellos, Jr.

Organizational Performance Manager

Danny.Vasconcellos@spcsc.hawaii.gov

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State Public Charter School Commission

1111 Bishop Street, Suite 516

Honolulu, HI 96813

Website: <http://chartercommission.hawaii.gov>

Exhibit 3

Completed Contract Amendment Form Received on
January 24, 2016

STATE OF HAWAII
STATE PUBLIC CHARTER SCHOOL COMMISSION
<http://CharterCommission.Hawaii.Gov>
1111 Bishop Street, Suite 516, Honolulu, Hawaii 96813
Tel: 586-3775 Fax: 586-3776

CHARTER CONTRACT AMENDMENT FORM

This form is only for charter contract amendments to the Educational Program (Exhibit A) and School-Specific Measures (Exhibit B.3). See form instructions before continuing. Attach additional sheets if the form does not provide enough space.

1. School Name: _____
 2. Contact Person: _____
 3. Phone: _____ Email: _____
-

SECTION A. Identify the material term within the Educational Program or School-Specific Measures that the charter school is seeking to amend **(required for all amendments)**.

SECTION B. Describe the proposed amendment to the material term and provide reasonable justification for the change **(required for all amendments)**.

SECTION C. Effective Date **(required for all amendments)**: _____

If Effective Date requested is before Commission approval, please provide explanation of why retroactive effective date is needed: _____

- Educational Program amendments proceed to next section.
 - School-Specific Measure amendments skip to Section G
 - Name changes skip to Section H
-

SECTION D. Explain any **significant** impacts of the proposed amendment and how the charter school plans to address any potential negative impacts on the following **(for educational program amendments only)**:

D.1. Educational Program Design (see instructions for elements of program design)

D.2. Operations Plan and Capacity (see instructions for elements of plan and capacity)

D.3. Financial Plan and Capacity (see instructions for elements of plan and capacity)

- If the amendment changes the school's facility and/or location proceed to Sections E and H.
- If the amendment changes the school's Educational Service Provider skip to Section F.
- If the amendment changes the grades served skip to Section H

SECTION E. Only for School Facilities amendments.

E.1. A Certificate of Occupancy for the new facilities:

☐ Is attached ☐ Will be submitted later (estimated date: _____)

E.2. A lease, deed, or other documentation showing the school possesses the right to occupy the new premises:

☐ Is attached ☐ Will be submitted later (estimated date: _____)

E.3. Documentation showing the new facilities meet applicable health, safety, fire, building, and zoning code requirements:

☐ Is attached ☐ Will be submitted later (estimated date: _____)

E.4. Documentation showing the new facilities are of sufficient size to safely house anticipated enrollment:

☐ Is attached ☐ Will be submitted later (estimated date: _____)

● **If the amendment changes the school's facility and/or location proceed to Section H.**

SECTION F. Only for Educational Service Provider (ESP) amendments.

F.1. Confirm that each item below is attached (check each box to confirm)

- ☐ The final agreement to be entered into with an ESP **(required)**
- ☐ A letter of assurance stating that the ESP agreement was reviewed and approved by the charter school's deputy attorney general and that all provisions of the ESP agreement meet the ESP requirements set forth in the charter contract **(required)**

F.2. Describe how the ESP agreement meets the ESP requirements in the charter contract (Exhibit C). Include citations to specific sections in the ESP agreement.

SECTION G. Only for School-Specific Measure amendments.

G.1. Provide the language for any proposed new or amended School-Specific Measure, or identify the School-Specific Measure to remove.

G.2. Explain how the addition, removal, or amending of a School-Specific Measure provides a more accurate measurement of the charter school's performance.

G.3. Explain how the new or amended School-Specific Measure is outcome-based.

G.4. Explain the means of collecting data and report the new or amended School-Specific Measure.

G.5. Explain how the charter school will verify the accuracy of the measured outcome.

G.6. ☐ Check the box to confirm that a sample report of the new or amended School-Specific Measure is attached to this form **(required)**

SECTION H. Identify any potential data reporting issues, based on the charter school's discussion with the Department of Education Data Governance Office, and how such issues will be addressed.

Exhibit 4

Seventh Grade Plan, Submitted on February 2, 2016

Can you clarify the location/building plan? Are you seeking to stay at that site and increase the allowable building capacity? If so, can you clearly spell out each step of the process to increase building capacity and the timeline for the process? If you are unclear on the process, let us know that and tell us what steps you have taken so far. If that is not the plan, or if there is a Plan B, can you clearly state the alternative? I am unclear on your overall plans to house the 7th graders. If you are considering several different building options, can you detail each option (just number them) and write out a timeline for each plan.

We are working with our contractor to meet any and all necessary planning and building department requirements. We currently have 3.69 acres of land that is not being utilized to its full capacity. We have already cleared a large section of land where we intend to build a 900 square-foot, simple, temporary structure. The cost for labor and materials will be approximately \$10,000. I cannot provide a timeline, but we will have all building and planning requirements met before opening with 7th grade.

As stated in the email below, we will need a pro forma budget for next year. A pro forma budget is a 12 month income statement for school year 16-17.

Sent

Staffing plan- based on your current staff's credentials (or those that are returning) what do you anticipate your needs will be when hiring? Will you be hiring an HQ teacher in math, science, language arts, etc.? Will this teacher be teaching multiple subjects or teaching only in their area of expertise? Can you map out the teaching assignments?

We currently have 5 teachers employed. Our teachers have agreed to take any praxis exams necessary to become certified in their respective fields (ELA, Math, Science, Social Studies).

The only significant change to our current model is that third grade will be self-contained. Lindsey Hudrlik will be teaching third grade (self-contained) . She is taking her praxis on February 2, 2016.

Students in 4-7 will continue a rotation schedule by subject area, and teachers will be certified in their respective fields.

B'Lane Daly will be teaching math. She will become HQ by taking her math praxis. Our science teacher is not certain whether he is returning next year. If he does not return, we will recruit and hire a science certified teacher. We will also hire a certified teacher in ELA and social studies. Our goal is to have all HQ teachers.

A projected school-wide enrollment plan for each grade level;

Third Grade-25

Fourth Grade-25

Fifth Grade-25

Sixth Grade-25

Seventh Grade-25

Total-125

Curriculum plans for middle school division.

We currently use *Reading Wonders* and *Journeys* for ELA at every grade level. We supplement with *Achieve3000* program online.

We use *Singapore Math* for grades 3-6, and we supplement with ALEKS online.

We use *History Alive* for Social Studies supplemented with online tools.

We use *Macmillan McGraw-Hill SCIENCE* for science for grades 3-6.

We will continue to use these curriculums, and we will purchase class sets of each for seventh grade.

Exhibit 5

Timeline for Campus Expansion, Submitted on February
5, 2016

Ka'u Learning Academy Public Charter School

Campus Expansion Timeline

Meet with contractor to discuss options for classroom space:	Nov. 1, 2015
Initiate expansion discussion with county Building/Planning departments:	Dec. 1, 2015
Finalize proposed structure plans and work with architects on drawings:	Feb.15, 2016
Apply for permits:	Mar. 1, 2016
Approximate permit hearing/approval date:	Apr. 15, 2016
Construction begins:	May 23, 2016
Construction completed:	June 30, 2016

Notes to timeline:

The permit hearing date is based on current estimates provided by county staff. We have included a one month cushion of time for this process.

Actual construction estimate is four weeks. Completion date is set three weeks ahead of need date to provide a cushion should any delays be experienced.

County inspections will occur throughout the process, at our request, in order to expedite the final Certificate of Occupancy. We have been assured that the county will do the final inspection within seven days of completion of construction.

Exhibit 6

Letter from Ka'u Learning Academy's School Director,
Dated April 7, 2016



KA'U LEARNING ACADEMY

April 7, 2016

To: Hawaii State Public Charter School Commission

From: Ka'u Learning Academy Board of Directors

Re: Building to Accommodate Expansion

The Ka'u Learning Academy Board of Directors is grateful that the Commission has given a conditional approval for our expansion to seventh grade. The condition includes some very specific language - that KLA will execute a contract for the lease of a portable classroom building.

As a Board that takes the fiscal health of our school very seriously, we have been exploring various facilities options in order to accommodate our growth. As you know from an earlier commission meeting, we have been exploring these option for many months. At the March, 2016 commission meeting, we presented a plan for leasing a building from Hawaii Modular. The cost of leasing one 800-square-foot portable structure would be over \$41,000 per year. This was never considered a good financial option, but due to pressure from the charter commission staff to present a final plan by the March meeting, we felt it was necessary to submit that plan. The positive aspects of leasing from Hawaii Modular are: the building is already built; the county has leased these portables in the past, so permitting is relatively easy; Hawaii Modular delivers the building and sets everything up. The negative aspects are: KLAPCS will never own the building; the cost is exorbitant; the layout is not ideal for teaching or classroom management.

Our executive and managing directors and our contractor (also a board member) have been meeting and discussing various facilities options with members of the Hawaii County Planning and Building Departments for months. During a meeting in March, both county departments encouraged KLA to build a structure rather than lease one. We were assured that the permitting process could be easily completed in a timely manner, and in fact, the process has already begun. The expansion plan has been submitted for review, and the original special permit has been reviewed to verify that KLAPCS has complied with EVERY condition of the original permit. Because EVERY condition of the original permit has been met, the planning department representative who reviewed the plan, is confident that the permitting process will go smoothly and quickly.

If the commission agrees to allow KLAPCS to build a classroom rather that lease on, Jack Richard, a member of this Board and a licensed contractor, will lead the project. Mr. Richard has spent months working on this project already. We have considered two different building plans:

1) Build an open-air, covered, pavilion-style classroom similar to the one we already built. The cost of this project would be approximately \$10,000 with materials and labor included. This would be a simple structure, but could satisfy the school's needs.

2) Build a 24 X 28 (672 ft') square prefabricated kit from HPM. The following is a list of construction costs:

1. Plans and all supplies including lumber, roof, windows, doors, etc., (also includes delivery)	\$12,000
2. Architect stamp, permits	\$1500
3. Construction labor including framing, roofing, etc.	\$9800
4. Drywall and Painting	\$4000
4. Electrical (including engineer)	\$3500
5. Post and pier	\$4000
Total Cost	\$34,800

Time Frame:

By April 1-Permit application submitted to county planning department	Done
Construction crew identified	Done
By May 15-County Planning notification and hearing	In process
All necessary permits acquired	In process
By May 25-Lumber and supplies delivered	
By May 30-Post and pier completed	
By June 1-Classroom construction begins -	
By June 25-Construction complete / call for final inspection	
By July 15-Project complete	

After carefully weighing all options and under the advisement of the county building and planning departments, our directors, contractor and board members are all in agreement that the best plan for expansion is to build the HPM prefabricated building. The building can be constructed for significantly less money than leasing, and, most importantly, KLAPCS will own the building. We fully understand all of the challenges that come with any construction project, but our team has the experience and qualifications to succeed. Even before having a contractor on our board, our directors were able to satisfy every stringent county / state/ federal regulation that schools must (and should) comply with. Having an experienced and highly qualified contractor on our team will, without a doubt, make the process go more smoothly.

By allowing us the option to build in addition to the option of leasing, the Commission will provide us with the opportunity to use our state monies in a more responsible and productive manner. If, for any reason, the commission decides not to allow us to pursue this building option, we will move forward with the Hawaii Modular Lease. The lease has already been reviewed by the attorney general's office and changes have been made in order to satisfy the state's legal requirements and limitations. The only inspection that needs to be done in order to satisfy the county is electrical, and we already have a licensed electrician ready to see that through. As noted earlier, we have already submitted our plan to the county planning department, and after reviewing our original permit application, they verified that we have complied with every condition of our permit, so this amendment is a formality.

Again, we are grateful to the commission for allowing us to expand to seventh grade. Our students and their families are thrilled and relieved that they will be able to stay with us for an additional year.

Sincerely,

A handwritten signature in blue ink, appearing to read 'K. Tydlacka', is shown within a light gray rectangular box.

Kathryn Tydlacka M.Ed.

Founder/Executive Director, Ka'u Learning Academy

On behalf of the KLAPCS Board of Directors:

Mark Fournier, President

Jack Richard

Andy C. Griffin

Katie Szabo

Nancy Sledziewski

Kathryn Tydlacka-McCown